

MINUTES OF THE
HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE
WEDNESDAY, JANUARY 31, 2007, 2:00 P.M.
Room W020, West Office Building, State Capitol Complex

Members Present: Sen. Greg Bell, Co-Chair
Rep. Kory M. Holdaway, Co-Chair
Sen. Brent Goodfellow
Rep. Ron Bigelow
Rep. Mel Brown
Rep. David Clark
Rep. Brad Daw
Rep. John Dougall
Rep. Kay McIff
Rep. Scott L. Wyatt
Rep. Chris Johnson
Rep. Carol Spackman Moss
Rep. LaWanna "Lou" Shurtliff

Members Excused: Sen. Curtis Bramble
Sen. Dan Eastman

Staff Present: Spencer Pratt, Senior Legislative Fiscal Analyst
Rolayne Day, Secretary

Public Speakers Present: Pres. Michael Young, UU
Pres. Stan Albrecht, USU
Pres. Michael Benson, SUU
Dr. Rick Wheeler, Acting President, Snow College
Dr. Brad Winn, Provost, Snow College
Donna Dillingham-Evans, VPA, Dixie State College
Gayle McKeachnie, Governor's Rural Advisor
Commissioner Rich Kendell
Pres. Ryan Thomas, CEU
Pres. William Sederburg, UVSC
Steve Clark, Faculty Senate President, UVSC
Clint Moser, Staff Association President Elect, UVSC
Pres. Cynthia Bioteau, SLCC
Pres. Ann Millner, WSU
Rep. Snow

A list of visitors and a copy of handouts are filed with the committee minutes.

1. Call to Order—Committee Co-Chair Bell called the meeting to order at 2:14 p.m.
2. Letter from the Capital Facilities & Government Operations Subcommittee for Future O&M—Analyst Spencer Pratt distributed a letter from the Capital Facilities and Government Operations Appropriations Subcommittee listing approved higher education buildings that will need O&M funding as indicated in the future. It was noted that the buildings are not funded with state money. Sen. Bell said objections to the potential requests should be made at this time. Rep. Dougall said sometimes the Legislature reigns too tightly on the institutions and there is a broken funding model. He would like to see much more money go to students and then let the institutions make decisions and live with the consequences. Sen. Bell said he and Rep. Holdaway will meet with the Capital Facilities co-chairs to discuss the issues. He is concerned because this Subcommittee had no part in determining the validity and worth of the approved projects.

3. Institutional Presentations—University of Utah—Pres. Michael Young introduced administrators, studentbody officers and students in attendance from the UU. Institutional funding priorities are:

- (1) funding for digital media, a program where student demand exceeds course availability, and numerous jobs are available. The request is for additional faculty and program offerings;
- (2) training in science and mathematics. This field is a gateway to many of the other professions including physician, pharmacist, engineer, and nurse. This request is in three parts:
 - (a) add faculty in critical areas;
 - (b) focus on new science and math education faculty to prepare more and better secondary teachers; and
 - (c) new scientific equipment to replace antiquated equipment;
- (3) advising and student support. The UU needs to enlarge and strengthen the advising staff who provide guidance, direction and discipline to help students process through school more quickly and efficiently.

Rep. Dougall notice that research grants went down significantly at the UU. Pres. Young said he isn't sure why, but the rate of success has gone up while funding has been relatively flat. He also said that there are natural ebbs and flows in the research funding.

Approval of Minutes

MOTION: Rep. Johnson moved to approve minutes of the January 29, 2007, meeting.

The motion passed unanimously with Rep. Clark absent for the vote.

Utah State University—Pres. Stan Albrecht introduced those in attendance in support of USU. A handout entitled "Utah State Greats" listed various projects and programs of note including bio-fuels projects, the Centers for Persons with Disabilities throughout the state and region, distance education, space research, the smart library, a USTAR partnership exploring the molecular process of obesity, watershed research (world renown), helping children with autism, and more. USU is ranked in the top 25 public universities in the nation.

Pres. Albrecht said USU has reached these heights even in an era of diminishing contributions by the state. After three years of budget reductions, they now have a 22% increase in the freshmen class, and they have not received an operating budget increase in two decades. USU needs high-tech classrooms, upgraded laboratories, and support for oversubscribed programs. The highest priority is building the infrastructure for a regional campus model and partnerships with other institutions.

Pres. Albrecht said they lost about 500 students when residency restrictions were tightened. The waiver bill passed last year has helped mitigate that; there was a 43% increase in out-of-state students this year.

Southern Utah University—Pres. Michael Benson said SUU has a three-pronged Strategic Plan, (1) to be a comprehensive, high-quality bachelors and masters granting university; (2) to retain the unique aspect of undergraduate degrees in a residential environment; and (3) to be a regional University that meets rural and economic development needs.

SUU is leading USHE in enrollment growth for the third straight year. Pres. Benson discussed SUU accomplishments including six years of National Academic Championship recognition for the Women's Athletics Department; designation as Best in the West in the Princeton Review; the Hispanic Center for Academic Excellence; degrees in Outdoor Recreation/Parks and Tourism, Forensic Science, and Human Nutrition; and proposed masters degrees in Sports Conditioning and

Public Administration. He also mentioned partnerships under USTAR and UCAT, the Bryce Canyon Alliance, and school districts.

S. B. 90 includes \$1 million in the base budget for SUU. Other legislative initiatives include (1) a competitive employee compensation package, (2) the USTAR Initiative, (3) fuel and power, (4) partnerships, and (5) 2nd tier tuition.

The Science Center addition is also a high priority. The building will be partially funded by a private donor, but some funding from the Legislature is needed. The Eccles Living/Learning Center has 100% occupancy and is a beautiful facility. SUU is asking the Economic Development Subcommittee for \$2 million to purchase land for the Shakespeare Festival.

Rep. Dougall asked why the average SUU graduate has so many hours above graduation requirements. Pres. Benson said some students change majors several times and that could be part of the problem. He will get back with a more thorough answer.

Snow College—Acting Pres. Rick Wheeler said institutional priorities include those listed by the USHE as well as some individual priorities as follows: (1) faculty for bottleneck classes; (2) retention and orientation for new students; (3) expansion of distance education offerings; and (4) funding for the Work-to-Learn Program. 80% of the students report that they want to work about 10 hours a week, but Ephraim cannot support that many jobs. Snow has also requested funding from the Capital Facilities Subcommittee for a new library.

Rep. Holdaway asked for more information on the USU partnership and on Snow maintaining its role and mission. Dr. Wheeler said students are coming into higher education with more and more college credits earned during high school. Snow is a two-year school, and there are no other offerings in the service area.

Rep. Dougall asked how the Trustees and the Regents are addressing the issue. Pres. Wheeler said the Regents have recognized the need for different kinds of institutions in the system. There are students that need a high participation, high impact education, and others that need what Snow offers. Sen. Bell said when advising is cut, students get lost in the system.

Dixie State College—Donna Dillingham-Evans, VPA, said there is a crisis in Washington County because of an uneducated workforce. Like other areas of the state, they will need an infusion of new secondary teachers and health care workers in the next few years. Low salaries complicate the problem because there is a higher cost of living.

Dixie has partnerships with the UU, Washington School District, Skywest Airlines, and IHC. They request retention funding (\$900,000), especially since 40% of the faculty is new faculty in last three years.

Commissioner Kendell said the presentation by Ms. Dillingham-Evans does not reflect the Regents' budget request for Dixie State College.

College of Eastern Utah—Pres. Ryan Thomas said CEU has some very successful alumni in sports, education, welding, and the assistant Secretary of Education of the United States. Faculty at CEU try to make educational opportunities for students fun. There are a variety of interesting activities including arts, theatre, ballet, historic research, the prehistoric museum, and Range Creek. The Western Energy Training Center is also very successful. CEU granted 492 degrees and certificates in 2006 in a wide range of technical and academic fields.

Priorities include: (1) a capital facilities request to eliminate the mortgage debt on dormitories (\$2.18 million); (2) retention of key faculty (\$111,900); (3) utility rate increases/O&M for new facilities (\$246,800 for FY 2008 and \$86,300 in one-time for FY 2007); (4) USHE initiatives and partnerships

(\$500,000 in SB 90); and (5) resolution of the CEU/SEATC merger. Pres. Thomas said the merger makes sense since CEU's mission includes technical programs.

Utah Valley State College—Pres. William Sederburg said salary retention is the first priority. UVSC faculty salaries are at about 90% of national peers. Steve Clark, Faculty Senate President, and Clint Moser, Staff Association President Elect, spoke in support of the salary request.

Other priorities include \$1.5 million to align the adjunct/faculty ratio and faculty workload, \$700,000 for advising and student support services, and \$300,000 for new undergraduate degree programs. UVSC requests \$1.3 million for partnerships with SLCC in biotechnology and life sciences for four-year degree programs. Pres. Sederburg noted that the \$10 million University Status request is the total, not a down payment as earlier stated. Another request is for the 75/25% tax funds/tuition compensation increase funding proposal.

Rep. Dougall asked if university status for UVSC could be avoided if USU partnered with them. Pres. Sederburg said UVSC already has an Masters of Business Administration from USU, and there is a long line of people waiting for room to enroll. He feels that locally-based institutions are more responsive to local environments.

Salt Lake Community College—Pres. Cynthia Bioteau said their one and only priority is to maintain the comprehensive community college status. SLCC is 7th in the nation for the number of graduates (2,800 last May) of the 1,200 community colleges across the nation. They serve 60,000 credit and non-credit students each year and employ over 4,000 employees on 14 campuses, teaching sites, and online.

For every dollar appropriated, taxpayers will see a return of \$4.30. Former SLCC students generate approximately \$98.5 million annually in higher taxable income. Workers with a one-year certificate from SLCC earn 16% more than those with a high school diploma or GED, and 83% more than those who didn't finish high school; graduates with an associate degree earn 115% more. For every credit earned, graduates will see their annual income increase on average by about \$170. SLCC serves employers in the Custom Fit and STIT Programs, the Innovation, Business Development, and Entrepreneurship Centers.

Career and Technical Education (CTE) is the backbone of SLCC with over 15 million total credit and non-credit CTE membership hours. The average cost of delivering CTE at SLCC is \$134.52; at UCAT it is \$147.90. Average tax support for CTE at SLCC is 54.6% in direct costs supported by taxes; at UCAT it is 76.7%.

High priorities are the critically low faculty salaries and the highest adjunct ratio in the state. The Skill Center at SLCC has been operating for over 30 years with the same mission as UCAT. The funding is not equitable because SLCC must make up the difference in tuition or take it out of the budget, and UCAT is subsidized. There is also duplication and confusion within the community. Rep. Holdaway said when there are institutions with similar missions in the same service area, they should be combined. Sen. Bell said this year is the time to do right by all the stakeholders and not prolong the problem.

Rep. Dougall asked if there are plans to improve concurrent enrollment throughout the state to drive more of the classes into the high schools. Pres. Bioteau said SLCC has a full-time concurrent enrollment liaison who is working closely with the high school guidance counselors. Students need to be advised to take classes that lead into a program rather than just random concurrent courses. They are working with a statewide group of educators to make sure this gets fine tuned.

Weber State University—Pres. Ann Millner said WSU students come mostly from Davis and Weber Counties, and 93% are from Utah. Enrollment was 18,303 in 2006, up from 13,906 ten years ago. They awarded 3,522 degrees last year (53% bachelors, 42% associates, 4% masters and 1%

certificates). WSU graduates 350-400 nurses a year. Pres. Millner noted that 13% of the enrollment is online.

WSU budget priorities are (1) the compensation package; (2) salary retention funds (\$772,300), they are currently 12% behind peers; and (3) mandated costs for utility rate increases (\$402,800) and O&M (\$32,200). They also request funds for health care, supply chain management, electronics engineering, manufacturing, construction, and computer science and information technology, and fully support S. B. 53 and the partnership requests from the Regents.

Rep. Holdaway asked for a report on how 2nd Tier tuition is used. Commissioner Kendell will get that information for the Committee as well as a report on faculty retention.

4. Committee Discussion of S.B. 53, Higher Education Engineering Partnership by Sen. Bell—Analyst Spencer Pratt distributed a handout comparing the three bills on the agenda and where they fit into institutional priorities. Partnerships are also summarized along with where each fits into the Regents' request, the Governor's budget, and the Analysts recommendations.

Sen. Bell explained that S. B. 53 would allow a partnership between USU and WSU to help supply engineers for Hill Air Force Base and other employers in the WSU service region. Pres. Millner said the degree needs to be local because Hill has a need to not only employ engineers, but to have a way for employees to get an education and for those with degrees to upgrade. The request is in bill format this year because it has been requested for several years and has not been funded. The need is critical and they decided to raise the visibility before the Legislature.

H.B. 185, Higher Education Partnerships Appropriation by Rep. Snow—Rep. Snow said the Committee needs to discuss how to merge the three bills because all are important and there are overlaps. Rep. Snow's bill would bring four-year educational opportunities to counties in the lower portion of the state.

Gayle McKechnie, Governor's Rural Advocate, said the partnership with USU provides educational opportunities without building buildings and also provide a flexible and affordable system. USU Pres. Stan Albrecht spoke in support of the bill. Sen. Bell said leadership needs to understand that you can't make decisions about tax cuts and then give small leftover amounts to the subcommittees; it is a bad process. This committee would be wise to take the three initiatives and look at them.

MOTION: Rep. Daw moved to adjourn.

Committee Co-Chair Bell adjourned the meeting at 5:03 p.m.

Minutes were reported by Rolayne Day, Secretary.

Sen. Greg Bell, Committee Co-Chair

Rep. Kory M. Holdaway, Committee Co-Chair